

Message Text

CONFIDENTIAL

PAGE 01 STATE 079003
ORIGIN NEA-10

INFO OCT-01 EUR-12 ISO-00 L-03 EB-08 H-01 SIG-01
MMO-01 AID-05 CIAE-00 COME-00 FRB-03 INR-07
NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03 SP-02
LAB-04 SIL-01 OMB-01 DODE-00 PM-04 NSC-05 PA-01
PRS-01 SS-15 STR-04 /101 R

DRAFTED BY NEA/RA:DTMORRISON:JR
APPROVED BY NEA:SSOBER
NEA/RA:SEPALMER,JR.
L/NEA:DSMALL (INFO)
EB:AWATSON (INFO)
H:RFLATEN (INFO)
NEA/ARN: ETUNIS
NEA/EGY:CAKENNE Y
NEA/EGY: AMB EILTS
-----092012Z 011817 /42

R 081625Z APR 77
FM SECSTATE WASHDC
TO AMEMBASSY CAIRO
INFO AMEMBASSY ABU DHABI
AMCONSUL ALEXANDRIA
AMEMBASSY AMMAN
USINT BAGHDAD
AMEMBASSY BEIRUT
AMEMBASSY DAMASCUS
AMCONSUL DHAHRAN
AMEMBASSY DOHA
AMEMBASSY JIDDA
AMEMBASSY KUWAIT
AMEMBASSY LONDON
AMEMBASSY MANAMA
AMEMBASSY MUSCAT
AMEMBASSY SANA
AMEMBASSY TEL AVIV
AMEMBASSY TRIPOLI
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 079003

CONFIDENTIAL STATE 079003

E.O. 11652: GDS

TAGS: EINV, ETRD, PFOR

SUBJECT: EGYPTIAN APPROVAL OF BOYCOTTED COMPANY INVESTMENT
APPLICATIONS: DISCUSSION WITH EGYPTIAN ECONOMY MINISTER
EL-SAYEH

1. ON APRIL 6, EGYPTIAN ECONOMY MINISTER HAMAD EL-SAYEH MET WITH DEPUTY ASSISTANT SECRETARY SOBER AT LATTER'S REQUEST TO DISCUSS RECENT BOYCOTT DEVELOPMENTS. IN BRIEF PART OF THIS DISCUSSION WHICH ADDRESSED EGYPT'S RECENT APPROVAL OF INVESTMENT APPLICATIONS BY FIVE BLACKLISTED U.S. FIRMS (WHICH NOT YET ANNOUNCED PUBLICLY IN EGYPT), EL-SAYEH OPINED THAT FIRMS SHOULD UNDERSTAND AND SHOULD HAVE UNDERSTOOD FROM BEGINNING THAT EGYPT COULD NOT WORK OUT FOR THEM THEIR REMOVAL FROM THE CENTRAL BOYCOTT OFFICE BLACKLIST. EGYPT COULD REMOVE THEM, HOWEVER, FROM EGYPT'S OWN BLACKLIST. HE EXPRESSED PERSONAL VIEW THAT FIRMS NECESSARILY WOULD HAVE TO PURSUE THEIR OWN APPLICATIONS FOR REMOVAL BASED ON OFFSET PRINCIPLE WITH CENTRAL BOYCOTT OFFICE IN DAMASCUS. EGYPT THEN COULD VERIFY APPROVAL OF INVESTMENT APPLICATIONS AND OFFER SUPPORT FOR THEIR APPLICATIONS. EL-SAYEH THOUGHT EFFORTS OF FIRMS COULD BE HELPED BY U.S. BILATERAL REPRESENTATIONS TO ARAB LEAGUE MEMBER COUNTRIES.

2. EL-SAYEH NOTED THAT NEW U.S. LEGISLATION MIGHT INTERFERE WITH EFFORTS BY U.S. FIRMS TO APPLY TO CENTRAL BOYCOTT OFFICE FOR REMOVAL--GIVEN STANDARD QUESTIONNAIRE FORMS USED BY BOYCOTT OFFICE IN CONNECTION WITH SUCH APPLICATIONS. ACCORDINGLY, HE SUGGESTED THAT FIRMS MIGHT BE WELL ADVISED TO SUBMIT APPLICATIONS PRIOR TO ENACTMENT OF U.S. LAW.
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 079003

DISCUSSION OF OFFSET PRINCIPLE INDICATED THAT PROVISION FOR REMOVAL OF FIRM FROM THE BLACKLIST BASED ON EQUAL OR GREATER INVESTMENT IN AN ARAB COUNTRY WAS A POST-1967 WAR DEVELOPMENT. APPARENTLY, THIS DECISION OBTAINED APPROVAL OF ARAB LEAGUE COUNCIL OF MINISTERS THOUGH NOT ALL MEMBERS SUPPORTED THE PROPOSAL.

3. SOBER EXPRESSED OUR APPRECIATION FOR GOE'S READINESS TO BE HELPFUL--NOT ONLY IN APPROVING WORTHY INVESTMENT PROPOSALS BY IMPORTANT AMERICAN FIRMS BUT IN ASSISTING THEM TO BE REMOVED FROM ARAB BLACKLIST WHERE THIS WAS AN ISSUE. INVESTMENT PROGRAMS OF ONE OR MORE OF THESE FIRMS COULD BE CARRIED OUT ONLY IF THE FIRMS COULD DEAL WITH VARIOUS OTHER ARAB COUNTRIES AS WELL AS EGYPT. HE URGED EL-SAYEH TO CONSIDER HOW GOE COULD MOST EFFECTIVELY ASSIST IN THE DEBLACKLISTING PROCEDURE, EVEN IF THIS SHOULD REQUIRE A MORE ACTIVE ROLE THAN EL-SAYEH HAD SKETCHED OUT. EL-SAYEH MADE NO COMMITMENT BUT DID NOT RULE OUT SUCH POSSIBILITY.

VANCE

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOREIGN INVESTMENT, BUSINESS FIRMS, BOYCOTTS
Control Number: n/a
Copy: SINGLE
Sent Date: 08-Apr-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE079003
Document Source: CORE
Document Unique ID: 00
Drafter: DTMORRISON:JR
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770124-1173
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770473/aaaacplpo.tel
Line Count: 117
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 3470bca7-c288-dd11-92da-001cc4696bcc
Office: ORIGIN NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 30-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2855172
Secure: OPEN
Status: NATIVE
Subject: EGYPTIAN APPROVAL OF BOYCOTTED COMPANY INVESTMENT APPLICATIONS: DISCUSSION WITH EGYPTIAN ECONOMY MINISTER EL-SAYEH
TAGS: EINV, ETRD, PFOR, EG
To: CAIRO
Type: TE
vdkgvkey: odbc://SAS/SAS.dbo.SAS_Docs/3470bca7-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009